

## **REMARKS**

Claims 1-48 are pending in the present application. Claims 1 and 35 were rejected under 35 U.S.C. §101 for allegedly constituting unstatutory subject matter. Claims 1-8, 10-12, 14-18, 22, 24-25, 27-30, 32-40, 42-45, and 48 were rejected by the Examiner under 35 U.S.C. §102(b) for allegedly being anticipated by U.S. Patent No. 5,471,669 (hereinafter “Lidman”). Claims 9, 13, 19-21, 23, 26, 31, 41, and 46-47 were rejected by the Examiner under 35 U.S.C. §103(a) for allegedly being obvious in view of Lidman and common knowledge within the art.

### **I. Rejections Under 35 U.S.C. §101**

The Examiner rejects Claims 1 and 35 as allegedly being directed to non-statutory subject material. Office Action, page 2. In particular, the Examiner states, “Claims 1 and 35 are rejected...because the claimed invention is directed to non-statutory subject matter. The claimed invention is not within the technological arts...A ‘processor’ reads on technology. Hence this rejection could be overcome by respectively incorporating claims 2 and 36 into 1 and 35.” Office Action, page 2. The Applicants respectively disagree. However, in order to expedite prosecution, Claims 2 and 36 are now incorporated into Claims 1 and 35, respectively. The Applicants reserve the right to prosecute these or similar claims in the future. As such, the rejection of Claims 1 and 35 under 35 U.S.C. §101 is now rendered moot.

### **II. Rejections Under 35 U.S.C. §102(b)**

The Examiner rejects Claims 1-8, 10-12, 14-18, 22, 24-25, 27-30, 32-40, 42-45 and 48 under 35 U.S.C. §102(b) as being anticipated by Lidman. The Applicants respectfully disagree. A claim is not anticipated by a prior art reference when that reference fails to describe each and every element as set forth in the contested claim. *Verdegall Bros. v. Union Oil Co. of California*, 814 F.2d 628 (Fed.Cir. 1987). The Applicants contend that Lidman does not teach each and every element of the Claims.

#### **A. Lidman Does Not Anticipate Claims 1, 17, and 24**

Claims 1, 17 and 24 are rejected as allegedly being anticipated by Lidman. In particular, the Examiner states, “Lidman teaches...a method and a system, the method comprising: providing a member, at least one higher education account, and at least one merchant offering discount *coupons*, which reads on a rebate; calculating (col. 3 lines 5-6) said coupon rebate on purchases made by at least said member from at least one merchant, and crediting said at least one higher education account (col. 1 lines 26-46).” Office Action, pages 4-5. The Applicants respectfully disagree.

Lidman does not teach the rebate calculating step of Claims 1, 17 and 24. Claims 1, 17 and 24 involve calculating a rebate on the **purchases** made by a member. Lidman teaches **summing** the value of presented coupons. *See, e.g.*, Lidman, col. 3, lines 5-6 (“the cash register totals the value of all the coupons presented by purchaser”). As such, the summing step taught in Lidman is entirely dependent upon coupon value and coupon presentation, and does not involve calculating a rebate on the value of purchases. Adding the value of coupons is not the same as calculation of a rebate on purchases. This is in direct contrast to the Examiner’s assertion that coupons read on a rebate. Office Action, page 4. Indeed, the Examiner’s very wording of the rejection supports this conclusion. In order for Lidman to anticipate, it would be necessary that rebate read on coupon, not vice versa as the Examiner has versed.

For example, an individual who hypothetically purchases 5 items from a participating merchant will obtain an entirely different result if the Lidman coupon approach is used versus the rebate calculating step of the present claims. The Lidman coupon approach depends upon the individual’s presentation of coupons for the purchased items. These coupons have a face value, and thus no calculation of a rebate on purchases is necessary. The rebate calculation step of the present application, on the other hand, is not dependent upon coupon presentation. The calculation step involves the purchases made by the member, regardless of whether a coupon accompanies such purchases.

As such, Lidman does not teach each a rebate calculation step involving the purchases made by a member, and therefore does not anticipate Claims 1, 17, and 24. The Applicants request these rejections be withdrawn.

**B. Lidman Does Not Anticipate Claims 3, 10, 11, 17, 28, 29, 33, 35, 43 and 45**

Claims 3, 10, 11, 17, 28, 29, 33, 35, 43 and 45 are rejected as allegedly being anticipated by Lidman. Office Action, page 5. The Applicants respectfully disagree. Since Claims 3, 10, 11, 28, and 29 are dependent upon Claims 1, 17 and 24, which are not anticipated, as described in the previous section, the same argument applies for these Claims. Moreover, Claims 3, 10, 11, 17, 28, 29, 33, 35, 43 and 45 require a rebate network manager element. The Specification defines rebate network manager as “an entity (*e.g.*, InfoSpace) that correlates purchases made from merchants belonging to a network with rebates offered in conjunction with the purchases.” Specification, page 6, lines 9-12. Lidman does not provide an entity that correlates purchases with rebates. The Examiner asserts that “Lidman teaches a processor at col. 3 line 51 and the *bank communication system* (col. 2 line 67 to col. 3 line 3) reads on the ‘rebate network manager,’ ‘computer network,’ and ‘tracking entity.’” Office Action, page 5. The processor relied upon by the Examiner, however, refers generally to the use of “microprocessors” and not to the correlation of purchases with rebates. Lidman, column 3, line 51. In addition, the bank communication system relied upon by the Examiner is described as “[t]he bank communication system is a conventional system wherein funds can be electronically transferred between accounts at various banks.” Lidman, column 3, lines 1-3. Transferring of funds between banks is not the same as a rebate network manager, which correlates purchases with rebates. This distinction further clarifies the difference between coupons and rebates. A coupon is simply redeemed for its face value. There is no need for correlation of a coupon to a purchase. As such, the Lidman reference fails to teach the rebate network manager element within Claims 3, 10, 11, 17, 28, 29, 33, 35, 43 and 45. The Applicants request these rejections be withdrawn.

**C. Lidman Does Not Anticipate Claims 15, 30, 35 and 48**

Claims 15, 30, 35 and 48 are rejected as allegedly being anticipated by Lidman. Office Action, page 5. The Applicants respectfully disagree. Claims 15, 30, 35 and 48 require a tracking entity element. The Specification defines tracking entity as “an entity (*e.g.*, Linkshare.com or Befree.com) that tracks and records purchases made by a

consumer from merchants associated with a tracking entity.” Specification, page 6, lines 13-15. Lidman does not provide an entity that that tracks and records purchases made by a consumer from merchants associated with a tracking entity. The Examiner asserts that “Lidman teaches a processor at col. 3 line 51 and the *bank communication system* (col. 2 line 67 to col. 3 line 3) reads on the ‘rebate network manager,’ ‘computer network,’ and ‘tracking entity.’” Office Action, page 5. The processor relied upon by the Examiner, however, refers generally to the use of “microprocessors” and not to an entity that that tracks and records purchases made by a consumer from merchants associated with a tracking entity. Lidman, column 3, line 51. In addition, the bank communication system relied upon by the Examiner is described as “[t]he bank communication system is a conventional system wherein funds can be electronically transferred between accounts at various banks.” Lidman, column 3, lines 1-3. Transferring funds between banks is not the same as an entity that that tracks and records purchases made by a consumer from merchants associated with a tracking entity. As such, the Lidman reference fails to teach the tracking entity element within Claims 15, 30, 35 and 48. The Applicants request these rejections be withdrawn.

**D. Lidman Does Not Anticipate Claims 24, 33 and 43**

Claims 24, 33 and 43 are rejected as allegedly being anticipated by Lidman. Office Action, page 5. The Applicants respectfully disagree. Claims 24, 33 and 43 require a memory device comprising a member higher education accounts element. The Specification defines computer memory device as “any data storage device that is readable by a computer, including, but not limited to, hard disks, magnetic (floppy) disks, compact discs, zip drives, and magnetic tape.” Specification, page 6, lines 22-24. The Specification also defines higher education account as “a financial account that is used to fund or pay for post-high school (*i.e.*, post-secondary) education or contribute to a higher education institution (*e.g.*, college, university, or trade school).” Specification, page 5, lines 26-28.

Lidman does not teach a memory device comprising a member higher education account. The Examiner asserts “For claims 24, 33 and 43, Lidman teaches multiple accounts (col. 1 line 65, col. 2 lines 41-42 and Fig. 1) and electronically transferring

information into them (col. 3 lines 10-15), which reads on a memory device comprising member higher education accounts. Office Action, page 5. The multiple accounts relied upon by the Examiner, however, are described as "...persons can credit coupon amounts to any account," column 1, line 65, "crediting coupons to a purchaser's account," column 2, lines 41-42, and Figure 1, which provides a store account, two general accounts, and a company account. The general use of accounts does not read on a memory device comprising a member higher education account. The "electronically transferring information into them" relied upon by the Examiner also does not teach a memory device comprising a member higher education account, but rather "the total of the coupons is then electronically transferred from the store's account at a bank to the purchaser's account, whether at the same bank or another bank." Lidman, column 3, lines 10-13. As such, the Lidman reference fails to teach a memory device comprising a member higher education account. The Applicants request these rejections be withdrawn.

**E. Lidman Does Not Anticipate Claims 16, 29, 39 and 44**

Claims 16, 29, 39 and 44 are rejected as allegedly being anticipated by Lidman. Office Action, page 5. The Applicants respectfully disagree. Claims 16, 39 and 44 require an organization facilitating member registration, and Claim 29 a registered credit number correlated with purchases. Lidman does not teach an organization facilitating member registration, or a registered credit number correlated with purchases. The Examiner asserts "Lidman also teaches at the citations given above claims 16, 29, 39 and 44, where the bank communication system reads on a registration organization, which inherently must be paid (receives a portion of said rebate)." Office Action, page 5. The bank communication system relied upon by the Examiner is described as "[t]he bank communication system is a conventional system wherein funds can be electronically transferred between accounts at various banks." Lidman, column 3, lines 1-3. As such, the Examiner's reliance upon the Lidman reference fails to teach an organization facilitating member registration or a registered credit number correlated with purchases. Claims 16, 29, 39 and 44 are not anticipated by Lidman, and the Applicants request these rejections be withdrawn.

**III. Rejections Under 35 U.S.C. §103(a)**

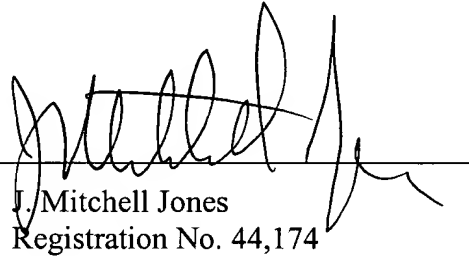
The Examiner rejects Claims 9, 13, 19, 20, 21, 23, 26, 31, 41, 46, and 47 as allegedly being obvious in view of Lidman with common knowledge in the art. Office Action, page 5. The Applicants respectfully disagree. A *prima facie* case of obviousness requires first, a suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or combine reference teachings. Second, there must be a reasonable expectation of success. Third, the prior art reference must teach or suggest all the claim limitations. MPEP 2143. The Examiner fails to present a *prima facie* case of obviousness.

Claims 9, 13, 19, 20, 21, 23, 26, 31, 41, 46, and 47 are dependent upon non-obvious and non-anticipated Claims 1, 17, 24, 35, and 43. As such, the Examiner fails to teach or suggest all the claim limitations inherent in Claims 9, 13, 19, 20, 21, 23, 26, 31, 41, 46, and 47. As such, a *prima facie* case of obviousness has not been established because the cited reference does not teach each element of the claims. The Applicants request these rejections be withdrawn.

**CONCLUSION**

All grounds of rejection of the Office Action of December 15, 2003 have been addressed and reconsideration of the application is respectfully requested. It is respectfully submitted that Applicant's new claims should be passed into allowance. Should the Examiner believe that a telephone interview would aid in the prosecution of this application Applicant encourages the Examiner to call the undersigned collect at (608) 218-6900.

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